Effect of Two-Cent Fare Law on P. R. R., According to Pres. McCrea.

Philadelphia, July 12.-President James McCrea the Pennsylvania Railroad to-day stated that the two-cent rate law enacted by the last Legislature of Pennsylvania would, if put in operation, result in a widespread advance in the general passenger rates and a great reduction in the dividends of the road despite this increase. This statement came from the president under outh, as witness before Judges Wilson and Andenried in the Common Pleas Court of this city on the hearing of the writ obtained by the company to test the new

Mr. McCrea was naked by John G. Johnson, of consel for the road, to tell the court whether, in

classes of passengers is unfair and in I classes of passengers is unfair and im-With two cents as a maximum rate the ompany could not make a sufficient dif-setween the short distance riders who usefully and the long distance riders who railroad but seidom. It was only fair and the first class of passengers must be car-lower rate, wille two cents a mile was h to charge the other class of passengers, ry and system of regulating the rates of had been in existence since the history of began.

of fare, continued Mr. McCrea, is largely inter, continued Mr. McCrea, is largely in the density of the populations and y with which the people ride. Therespany can charge in a densely populated continued in the continued district, where it has but a small traw from. In the thickly populated

gh passengers are carried per train he difference in fares, the case," said Mr. Johnson, "under fare suggestion why can't the com-e whole thing up-it appearing that tion of the passengers are carried at at-by the company complying with snactment by putting all the low o cents and the higher fares down Would that not be a nice piece of

SATS IT WOULD BE UNFAIR. "That would not be fair to the public," replied Mr. McCrea. "The best policy is to carry the short heance but frequent riders at a lower rate than

w believed that the business of the aid be greatly stimulated by the re-he fare by increasing the number of anid Mr. Johnson. "Can you tell us our experience would this be so?" observation and experience, replied the wania's president, "is that stimulation of g dependent very largely on the character service rendered and the natural increase hoss with the growth of the country. The m to two cents in the fare rate does not regarded to two cents in the fare rate does not sfect the short riders, as they already pay less, but even if so, the number of passengers is not materially increased except by the natural growth of the country. Then, outside the densely populated districts, a two-cent fare would not be enough to be remunerative. People, as a rule, do not ride because the fare is cheap, but because of the passengiate. enough to be remunerative. People, as a rule, do not rife because the fare is cheap, but because of the necessities of business. The growth of a relroad is dependent largely upon the growth of besiness and the increase of population of the

ald a reduction of the fare from five cents to two cents, in your judgment, 'perceptibly in-crease the number of passengers?" asked Mr. John-

"I think not."
"Is there something that does stimulate passenger traffic?"
"Yes, sir."
"These state what that is."

"Please state what that is."

"Passenger traffic is increased by the improved facilities and increased train service. I mean the frequency of trains. The comforts and conveniences and the facility and frequency with which people are enabled to make trips stimulate travel, and the many improvements in these respects, while they have greatly increased travel by railrand in the last fifty years, have also greatly sided to the expense of the company."

They works to work that Parkers "Please state what that is." DIRECTORS DO NOT FIX RATES.

Mr. McCrea said that the Interstate Commerce Commission would have to lower its rates if the Scent law went into effect. Under cross-examina-tion he was asked under whose direction the rates Railroad were fixed. He an-me to time the subject of rates by the passenger department, he fares, both passenger and

"Not necessarily; the board of directors appoints a representative, and he acts in conjunction with the department having that matter in charge."

Mr. McCrea answered questions regarding the tables of earnings, expenses, etc., of the passenger business in the state presented yesterday, and was then cross-examined by City Solicitor Gendell on the figures submitted. This brought out nothing

on redirect examination Mr. McCrea said that if the communication rates were increased to two cast there would be a very considerable decrease in the general suburban travel Mr. McCrea then left the stand, after being under examination for

see hour.

John B. Thayer, fourth vice-president, was then called Mr. Thayer is in charge of the general table business of the company. He said the two-cant fare law would not stimulate business. He supported this by submitting figures on various classes of passenger tickets which in the course of business had been reduced in price, which showed buttess had been reduced in price, which showed ber was very little increase in business beyond the average natural increase of many years.

WOULD COST \$1,000,000 A YEAR. WOULD COST \$1,99,000 A 15.5A.

Testifying to the increased cost of the operation of the road, Mr. Thayer said all materials increased in price from 8 to 21 per cent, and shat there is no prospect this year of prices coming foun. The increase in wages made just year additional that the expenses of the company's lines said of Phitsburg. Mr. Thayer said he estimated that if the two-cent fare haw went into effect in world some base to go 000 a year in o-cent fare law went into effect i loss of more than \$3,000,000 a year i would cause

the passenger carnings.

Mr. Thayer would not admit that the tables we have a complete and expenses

by the Pennsylvania Railroad was the most fair that could be made.

E. T. Perrine, peneral manager of the Audit Company of New York, was the first witness at the afternoon seasion. He said he considered the apportunment of passenger business by the Pennsylvania Railroad was made on a most equitable basis. The witness could not say by what method the company arrived at the difference in the cost of wear and tear on one mile of read between a freight train of fifty cars and a passenger train of the cars. He said he did not think the difference would be determined.

The company here closed its case, and the city

The company here closed its case, and the city and county of Philadelphia immediately called its that witness. Meyer Goldsmith, of this city, who is never the county of the city.

COULD STILL MAKE NEARLY 7 PER CENT Mr. Goldsmith said he had been given necess to all the company's books. He presented a great number of tables and calculations, made by him-self. The net result of his findings was that, based

self. The net result of his findings was that, based in Seconditive mileage," instead of "revenue train mileage," the company would earn 697-100 per cent as its invested capital if it reduced all its fares above two cents to two cents without disturbing these under that figure. His calculations were made on a different basis from those on which the company made its calculations.

Mr. Goldsmith was under examination most of the afternoon on the question of the basis for the appendiculations he made were necessarily guestwork, as were also the company's figures, and admitted that where estimates were to be made to arrive it conclusion it was better to take the estimates made by experienced railroad accountants than

hade by experienced railroad accountants than these of other secountants.

Fourth Vice President Thayer was recalled to the steady Fourth Vice-President Thayer was recalled to the stand and was the last witness of the day. He said the cost of handling intrastate traffic was. loughly speaking, about two and a helf times trater than the handling of interstate business. The said the taking of testimony, and the case will close to-morrow with the arguments of both tides. Mr. Johnson will speak for the Pennsylvais Pallroad and City Solicitor Gendell and Attorney General Todd will divide the time of the telement. No matter what the decision of the Court may be, the case will be carried to the

Edward M. Shepard Opposes Nominal Money Capitalization.

Galesburg, Ill., July 12.-An address by Edward M. Shepard, of New York, on "Corporate Capitalization and Public Morals" was the featpre of to-day's session of the annual meeting of the Hilinois Bar Association. Preceding this address the subject of "Railroad Rate Regulation" was thrown open for general discussion by members of the association. Mr. Shepard

It is the falsity of the present plan of corporate capitalization which should condemn it. For the very reason that it facilitates deceit, the delusion of investors and insincere dealing with public sen-timent or public officers, it should be ended, if there be a better plan. I think there is. I propose that the share of stock shall have no dollar mark; that its only essential feature shall be the truthful certification that it is one of a given total number of equal shares into which the enterprise is divided.

of equal shares into which the enterprise is divided. Who lends a corporation money upon the nominal amount of its capitalization? The creditor who is sane considers not the nominal but the actual situation; his concern is with the company's realizable property, its mortgage or lien debts, its floating debt, its gross income and its net income. Is not, however, the creditor entitled to know that the capital of which he has been assured shall not until he is paid be taken from the company in dividends, but remain a fund for his security? Indeed he is entitled to that. Our system of nominations are supported to the company of nominations are supported to the company of the company in the c deed he is entitled to that. Our system of nom-inal capitalization does not give him that assur-ance. The creditor might, however, require a cor-poration, as a condition of his extension of credit, to provide him with a statement of present and actual conditions, just as a broker requires a state ment of the solvency of a partnership whose notes he places on the market. For carclessness or dis-horesty in making such statements the common law provides ample remedy. The essential thing, as I conceive it, is that the basis of the dividend or of the credit shall be found in some responsible statement of present actual facts, not in fictitious or nominal or obsolete capitalization.

Mr. Shepard also spoke of the common idea that the profits of railroads and other public service corporations should be restricted to 6 per cent. This in his opinion is a fallacy, and if so restricted would prevent industrial advancement. He continued:

Private capital will not go into new and untried enterprises unless upon a promise that in case of rprises unless upon a promise that in case of ess, the profits shall exceed the rate of interest success, the profits shall exceed the rate of interest which could be carned upon assured investments. Sensible capitalists will never take the risk of total or partial loss unless paid for the risk in the magnitude of probable or possible profit. It is absurd to suppose that constructive genius and financial and even moral courage would have carried rafferoads over the Allegheny Mountains, or the Rockles or the Sierras, on the assumption that, if the enterprise failed a great loss should be borne by the promoters but that if the enterprise succeeded then their profit should be limited to what they could have earned without risk by lending their capital on bond and mortrage.

However, the owners of railroads and other like properties in considerable part have themselves to thank. If from the beginning they had openly insisted that their risks should be compensated by large profits, just as would be the risks of a ploneer manufacturer or the merchant who loads a shit for Castave-if in this risks that the risks had been

neer manufacturer or the merchant who loads ship for Cathay-if in this matter there had bee neither concealment nor instructivy nor jugging of figures, there would to-day be less of the notion that railroad rates ought to be adjusted to produce not more than 4 or 5 or 6 per cent.

at a company shall have any given actual capi-at a company shall have any given actual capi-d. For that is quite a different matter. An im-present reason for the plan is that it is that very quirement which the law falls effectively to make the law in any case may prescribe—and in many cases (especially where a company is to hold public franchise and enjoy privileges like that c condemning property) it ought to prescribe the minimum or maximum amount of net capital whice minimum or maximum amount of net capital which corporations of a given class shall or may hold that is to say, a minimum or maximum amount of actual property at actual value, less debts. But this does not involve that the total capital stock be fixed in dollars, nor does it involve the assignment of any par value to a share. And, with the abolition of money capitalization, I would more rigorously enforce upon business corporations the obligation of truth in every publication they make in respect to their capital, their debts and the like. I see no reason why a corporation, if it sees it. I see no reason why a corporation, if it sees fit should not, for mere expectation or even mere hope of profit, issue its shares having no denomination. But it ought not to be able, as at present it is able. and without liability, to certify or seem to cert for such expectations and hopes actual pres-money values which they do not have, and who no well informed person supposes they have.

freight on the different lines. Then the heard of directors has nothing to do JAIL FOR ANTI-TRUST LAWBREAKERS.

Serve Dime in Workhouse.

Toledo, Ohio. July 12.—Common Pleas Judge Morris to-day sentenced the brick and lumber men convicted of violating the Valentine anti-trust law and the bridge agents who pleaded guilty to insuitable. fractions of this law. The brickmen must pay \$1,000 and costs each. The lumbermen and the dge agents were sentenced to serve six monthly the workhouse and pay the costs. Sentences the workhouse, however, have been suspended for ten days owing to that institution being quaran-tined against smallpox. The courtroom was over-crowded this morning when the announcement was made that thirty prominent business men of the city were to hear their fate.

NO PASSES OR FRANKS IN TEXAS.

Sweeping Law Went Into Effect Yesterday, and Will Be Fought.

[By Telegraph to The Tribune.] Austin, Tex. July 12.—The anti-pass law passed by the last Legislature went into effect to-day. It applies not only to all railroads in the state, but to street railways, interurban lines, sleeping car, telephone and telegraph companies. It provides a heavy penalty for giving or receiving a pass or frank. It applies to all classes of people, the only exemptions being railroad officials and employes and peace officers. Newspapers are forbidden to exchange advertising for transportation. It is an-nounced that the Texas Press Association will test he constitutionality of the law in the courts.

Another important measure affecting railroads which went into effect to-day is the reciprocal demurrage law. It requires, among other things, that cars shall be furnished on demand of the shipper within a given time; also that the railroads shall provide themselves with adequate sidetracks and loading facilities. The law gives the Railroad Commission the power to adopt rules and regula-Commission the power to adopt rules and regula-tions which railroads shall observe in the move-ment of traffic. The commission has the power to fix the rate of speed at which cars shall be moved. It is further provided that the shipper is entitled to actual damages from loss of the commodity shipped by failure of the railroads to provide cars promptly. Connecting lines with the road on shipped by landre of the randace to provide cars promptly. Connecting lines with the road on which freight originates are required to furnish cars to the road originating the freight, subject to liabilities in case the cars are not used.

INCREASE IN COST OF LUMBER.

Salt Lake City, July 12.—"The Herald" to-day says that freight rates on lumber shipments throughout the United States, and particularly between Washington, Oregon and other Pacific Coast points to the inter-mountain country, will be raised from 5 to 10 per cent on September 1 or October 1 by the railroad companies, and the price of lumber to the public will be proportionately increased.

SAULT STE. MARIE STOCK ISSUE. Minneapolls, July 12.—The directors of the Minne-polls, St. Paul & Sault Ste. Marie Rallroad de-ided to-day to increase the capital stock of the cided to-day to increase the capital stock of the company to \$42,000,000, one-third of which will be preferred and two-thirds common stock. The original stock provided at the organization of the company was \$21,000,000. At that time it had 800 miles of roadway. To-day it has about 2,300 miles in operation. The stock will be issued to share-thirder at mar (Div about \$4,000,000 of the new holders at par. Only about \$4,000,000 of the new stock will be issued now.

FORMER BANKER ACQUITTED OF FRAUD. FORMER BANKER ACQUITTED OF FRAUD.
Towson, Md., July il.—Walter E. Mason, formerly
a national bank examiner and at one time president of the Commercial and Farmers' National
Bank, or Baitimore, who has been on trial here for
some days on charges of conspiring to defraud the
Munich Reinsurance Company, was acquitted totest the turn being out only a few minutes. day, the jury being out only a few minutes.

ARMOUR ICE PLANT BURNED. Las Vegas, Nev. July 12.—The Armour Packing Company's \$125,000 too plant, with seven hundred tons of ice, was destroyed by fire last pight.

FARES WOULD GO UP. WOULD ABOLISH THE \$. NEW LOCOMOTIVE TEST. HOPE TO GET DIVIDEND.

ON SHARES OF STOCK. Pennsylvania Road Tries Biggest Foundries Company Stockholders Electric Motor Ever Built.

The Westinghouse Electric and Manufacturing Company made on Thursday for the first time a public exhibition test of a half section of what probably the largest electric locomotive ever built. The test was made with a view to the adoption by the Pennsylvania Railroad of a high power electric locomotive that will meet the requirements of the traffic in the New York ter-

Working to Force Payment.

Swartwout & Appinzellar, bankers, the representatives of the minority stockholders of the American Steel Foundries Company, who are soliciting proxies with the object of controlling the next annual meeting of the company, and if possible forcing a resumption of the dividends on the preferred stock, notice of which has already appeared in The Tribune, said yesterday that their efforts were meeting with success, and that they had already received enough proxies to control a substantial percentage of the stock.

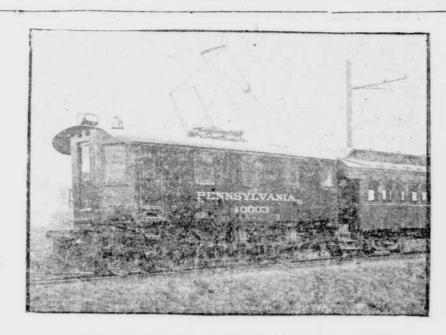
In addition to having the dividend restored, one of the principal objects of the minority interests.

power electric locomotive that will meet the requirements of the traffic in the New York terminal of the Pennsylvania tunnel.

This locomotive is the result of two years of investigation and development carried on by the Westinghouse companies, in conjunction with the Pennsylvania Railroad, under the direction of George Gibbs, chief engineer of electric traction. It is in many respects one of the most notable pieces of electrical apparatus ever produced. The maximum power developed is 4,600 horsepower and the speed is ninety miles an hour. It was built to be operated by the single phase alternating current from an overhead trolley wire.

The development of the single phase alternating current system for electric traction is held by its advocates to be the most important advance in the electrical art, and it is evidently growing in favor. Several roads are operated by this system not only in this country, but also in Europe. It is estimated that two thousand single phase electric radius with the electrical art, and it is evidently growing in the only in this country, but also in Europe. It is estimated that two thousand miles of track, most of it being that of trolley lines.

The most notable installation took place on the New York. New Haven & Hartford Railroad, which has now thirty-five of these locomotives in use, and which began the operation of electric



NEW ALTERNATING CURRENT ELECTRIC ENGINE. One section of the locomotive tested this week at Pittsburg

trains by the single phase alternating current system on schedule time on Thursday. These shale phase locomotives are also operated by the Grand Trunk and six other steam railroad companies.

The experimental track at East Pittsburg is about five miles long, and it is practically a succession of curves. A speed of sixty-six miles an hour was reached on this track. If a straight track had been available the electrical experts said that a speed of ninety miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul was also made at a speed of fifty miles an hour could just as easily have been reached. A 250-ton freight haul the income of the corporation. They will add to the income of the corporation. They will add to the income of the corporation. They will add to the income of the corporation. The two like is and to the income of the corporation. The two like is an interest, and to the income of the corporat

hour.

The current used by this giant locomotive is practically no more than that used by the common trolley car, but the great power is derived by using the electric current at a nigher voltage.

It is asserted by electrical engineers that, owing to the great saving in power and in transforming apparatus by the alternating current system the cost of heavy electric traction will be reduced, so that its adoption by the steam road, with

SHONTS SUES PROMOTERS.

Asks \$2,000 in Test Case Involving Beet Sugar Factory Deal.

against E. P. Post and E. R. Thomas for \$2,000 has been filed in the clark's office of Grange County, at United Court:

Goshen, N. V. The gold in the clark of the United States Dis-Goshen, N. Y. The suft is due to a beet sugar factory deal in January, 1991, while Mr. Shouts was Ohio Lumbermen and Bridge Agents Must president of the Indiana, Ellinois & Iowa Railway president of the Indiana, Illinois & Iowa Railway, According to the evidence taken before Rastris S. Ransom, as referee, the firm of Thomas & Post, which has been dissolved, was the promoter of a \$1,500,000 corporation to build a sugar factory near Shelby, Ind. The proposition was first made by George W. Cass, who had some land he thought suitable for the growth of sugar bosts. Mr. Shonts subscribed for \$10,000 of the stock, with the understanding that the plant was to be built on the line or a branch of his railway.

or a branch of his railway.

Four hundred thousand dollars of the subscrip came involved financially and drew out of the com-pany Mr. Shonts says that when this occurred he refused to pay in his instalment. Others refused, and the company became defunct.

and the company became defunct.

Meanwhile, however, two instalments had been paid in. The factory had been started and it was the plan when it was completed to issue bonds for the carrying out of the enterprise. Mr. Shonts had paid in \$2.00, and it is this he is suing for.

The contention of Thomas & Post is that under the law of this state the promoters of a corporation are liable for momey paid to them by organizers only until the concern is incorporated. After that the money belongs to the company and cannot be withdrawn. They say that in forming the company they simply carried out the desires of Mr. Shonts and others and paid over the money to the contractors who were building the factory Mr. Shorts and others and paid over the money to the contractors who were building the factory which Mr. Shonts and "the others" wanted. John Tully, who was secretary and treasurer, is also suing for \$18,000 he paid in, although he signed the warrants for the money paid to the contractors. Among the subscribers were E. R. Thomas, \$50,000; O. F. Thomas, \$50,000, and H. F. Feuhrman, \$50,000; O. F. Thomas, \$50,000, and H. F. Feuhrman, \$50,000, and Theodore Hapke, \$50,000. These two hundred thousand shares were turned over to the American Supply Company, of which O. F. Thomas was an officer, which was building the factory.

Richard A. Irving is counsel for Thomas & Post.

"The evidence is filed at Goshen, the home of Mr. Post, where the suit was begun," he said.

Hunting & Rhinelander, attorneys for Mr. Shonts, refused to comment on the case. It was learned, however, that the suit is really in the nature of a test. If it is decided in favor of Mr. Shonts, suits ut \$80,000 will be brought against Thomas &

NEW CHAPTER IN RATE WAR.

Sioux Falls Shippers Charge Discrimination by Railroads.

Washington, July 12.—Another chapter in the rallroad rate contest between the cities of Sloux Falls S. D., and Sloux City, Iowa, reached the Interstate Commerce Commission to-day in a complaint of Jewett Bros. & Jewett, of Sloux Falls, against the Chicago, Milwaukee & St. Paul and other Northwestern railroads. The complainants allege that the merchants and shippers of Sloux Falls are discriminated against by the railroads, and are compelled to pay higher freight rates than the shippers at other points in the Chicago terri-tory. They assert they are heavy shippers from Chicago and Lake Michigan points generally, yet the rates given by the railroads to shippers in the rates given by the railroads to shippers in Sloux City, St. Joseph, Mo., and Kansas City from Chicago are materially lower than they can obtain from the railroads. It is alleged that on May 25 the railroads increased their rates to Sloux Falls from Chicago, and that the shippers of that city were forced to go into the courts to obtain an injunction against the operation of the increased rates pending a decision on the subject by the rates pending a decision on the subject by the Interstate Commerce Commission. The complainants ask the commission to put into effect from Chicago to Sloux Falls the so-called Missouri River rates, which would serve to put that city on a rate equality with Sloux City. Omaha and Kansas City.

TARIFF POSTING ORDER SUSPENDED.

Washington, July 12.—An order of the Interstate Commerce Commission promulgated on June 19 in connection with the matter of posting tariffs, was suspended to-day by the commission, pending a hearing of the whole question, to be held in this city on October 14.

A representative of the company said recently that it would be to the car in ontend, also, it is said, that Mr. Kelley is the blest man in the country in the line of business anducted by the company, and that he is entitled

go. The annual meeting is held on the first iesday in October. No dividend has been paid the \$17.240,000 preferred stock outstanding since of. The stock is entitled to cumulative at the rate of 6 per cent out of the talk about the matter could be found in this city

BUSINESS TROUBLES.

An involuntary petition against Jacob and David An involuntary petition against Jacob and David Cooper, No. 149 Wooster street, by creditors with claims as follows: F. Victor & Achelis, \$1,000, and Taft & McKenney, \$100. Transfer of assets alleged. William R. Werner, No. 51 West 12th street, voluntary petition, showing debts of \$2,000 and assets of \$30. Principal creditor, John M. Fisher, \$33. E. A. Watson was appointed receiver of the business of Leon Wohl, with a bond of \$1,000. Arthur Patterson was appointed receiver of the Arthur Patterson was appointed receiver of the usiness of Norton F. W. Hazeltine, with a bond

of 3500.

Schedules of the Derry Collard Company, invol-untary bankrupt, show debts of \$2,961 and assets of \$7,105. The latter consists of cash, \$87; stock in trade, \$5,000; accounts due, \$1,924, and deposited in bank, \$34. Principal creditors: National Newark Bank, \$1,800; People's Bank and Trust Company, \$1,000, and Edward L. Berry, \$8,622. The bankrupt schedules as assets the copyrights of a number of works on engineering, the value of which is un-known.

Justice Dayton, of the Supreme Court, yesterday appointed James Buckley receiver of the partner-ship property of Pinals & Zimett, contractors at No. 37 Madison street, pending a suit brought by Isaac Zimett against Louis Pinals for an account-ing and dissolution of a partnership formed on March 15, 1998.

CONDITION OF TRADE.

"Dun's Review" says:
"There is not the customary complaint of mid-summer dulness in general trade channels, while summer duness in general trade channels, while the demand for seasonable fabrics is rapidly de-pleting stocks that threatened to be carried over. Brisk retail trade is accompanied by more prompt collections, and many cities that were slow to re-spond to the better feeling now send satisfactory reports. Jobbers and wholesalers are receiving liberal orders for fall and winter merchandise, and interior buyers are active in the primary markets. Crop reports to this paper are more encouraging improvement since July 1, on account of favorable weather. Manufacturing returns tell of large orders on hand and very heavy production during the first half of the year. Freight tonnage is well maintained, gross railway earnings in the first week of July exceeding last year's by 121 per cent. Foreign commerce at this port for the last week shows gains of \$4,253,375 in imports and \$208,-53. In exports, as compared with the movement in 1906. The advance of \$3.25 in the average for the sixty active railway stocks during the previous

two weeks was followed by a sharp reaction untwo weeks was followed by a sharp reaction un-der realizing sales and little public interest, while the money market hardened in response to Treas-ury withdrawals, gold experts and last week's poor bank statement. Bank exchanges at New York for the week were 0.8 per cent smaller than in 1995, but at other leading cities there was an average gain of 13.8 per cent.

"Lower prices for pig iron were due to the larger cutput and more proposed that reduced."

output and more prompt deliveries that reduced the premiums paid for early shipments. Consump-tion has not appreciably diminished, although a few of the steel mills are closed for repairs." "Bradstreet's" says:
"Continued favorable weather is the key to improving conditions in retail and jobbing lines, cropoutlook and mercantile collections. These have gone so far now that some pessimistic views as to

urdensome stocks being necessarily carried over y retailers have been revised, which, coupled with provement in reorder business with jobburs and payments on past business, sive a more op-nistic tone to the general situation than seemed possible a month ago. That some trade was lost for this season is, of course, certain, as is the fact for this season is, or course, certain, as is the fact that reduction sales have been necessary to move some slow selling goods, but it is noted that cotten goods have again been advanced, that dress fab-ries are selling better, and men's wear, woollen and clothing dealers take a much more cheerful view

of the outlook. Telegrams to 'Bradstreet's' show the effect of midsummer conditions on many lines, out fall shipments have begun in larger volume han a year ago, and where the crop outlook is de-ined there is a slightly more pronounced disposition to buy more freely for future delivery. Crop condi-

Instruction.

For Young Ladies-Country.

Instruction.

Young Ladles-Country.

Which is the Best School For Girls

This question is now uppermost in the minds of parents with daughters to edu-c. Almost every girls' school claims some advantages, but the best school is the one which trains a girl on broad lines, giving her not only a real culture, but power to execute what is best for her life.

A school of this type is Miss Mason's Suburban School for Girls, heautifully located amid healthful surroundings at Tarrytown-on-Hudson. The work of instruc-tion embraces not only college preparative and the usual academic training, but also higher college courses. Superior advantages are offered in Modern Languages, Music and Art. The various handicrafts, such as cooking, dressmaking, millinery and sewing, are systematically taught, as are also correct business methods, giving a girl the knowledge necessary to direct a well ordered home and to transact her financial affairs according to correct methods.

For catalogue, descriptive of the school and its methods, address

Miss C. E. Mason's Suburban School For Girls and Young Women Lock Box 717, Tarrytown-on-Hudson, N. V.

For Both Sexes-City.

THE BERLITZ SCHOOL OF LANGUAGES,
MADISON SQUARE (1122 Brondway).
HARLEM BRANCH: Lenox Ave., cor. 128th St.
BROOKLYN " 3 Court St.
NEWARK " Scheuer Bullding,
urmer School at Asbury Park, N. J., Hot., value

Surrogates' Notices.

INGRAM, JOHN H.-IN PURSUANCE OF AN ORDE

August next.
Dated New York, the 1st day of February, 1997.
MARY C. BOSHER, SUSAN V. C. INGRAM, JAMES M.
EDWARDS, Administrators. JAMES A. EDWARDS. Attorney for Administrators, 32 Liberty Streat, Borough of Manhattan, City of New York.

U. P. 4 PER CENTS TAKE ADVANCE.

Up to 91 1-4-Brokers Say Due to Shorts Buying at Higher Quotations.

Buying at Higher Quotations.

The 20 per cent paid Union Pacific convertible 4 per cent bonds were admitted to quotation on the Stock Exchange yesterday and at once showed an abrupt advance in price from \$8\cdot_0\$ to \$9, at which price they had been traded in on the curb, to \$1 and \$9\cdot_0\$. Brokers said that the sharp advance in price to a point above the subscription figure was caused by the covering of shorts, who had been unable to borrow the certificates for delivery and were consequently compelled to go into the market and buy them at the advanced quotations.

Inasmuch as only \$4.690,000 of the bonds were taken by the stockholders, the balance of \$71,690,000 having been taken by the underwriting syndicate, it was said in well informed quarters that a good deal of difficulty would naturally be experienced in borrowing the bonds for delivery, unless the syndicate managers chose to lend theirs.

The full paid, or "syndicate bonds," were quoted on the Broad street curb at \$6\cdot_0\$ to \$8 yesterday; the latter was approximately the price at which the underwriting syndicate got bonds. About \$100.

on the Broad street throat and the latter was approximately the price at which the underwriting syndicate got bonds. About \$100,-000 of the bonds was dealt in on the curb yesterday. Atchison's new bonds were quoted at 90% on the curb. They were offered to the stockholders at

SHOULD GIVE CONNECTIONS.

But at the Expense of the Complaining Terminal Railroad.

Washington, July 12.—The Interstate Commercial Commission to-day announced its decision in tage of the McRae Terminal Railway against the commence of the McRae Southern Railway Company and the Seaboard Al-Line Railway. The opinion was by Commissioner Prouty. The complainant, owning a nailroad about one mile ions from a point near the Southabout one mile long from a point near the South-ern Railway in McRae, Ga., to a point near the Seaboard Air Line, alleged that these roads de-cline to make physical connection with it at its termini. The commission holds that as such con-nections are practicable, can be made without nections are practicable, can be made without hazard to the public, and the complainant's prospective business is sufficient to justify the connections, the defendants should give complainant the physical connections asked for, but they should be made at the expense of the complainant. A definite order is withheld pending action of the defendant carriers and the taking of further teatimony. The commission sees no reason why Congress may not, as it has done, exercise the same authority over a railway handling interstate traffic which the state can exercise with respect to state traffic, Dissenting opinions were filed by the chairman and Commissioners Clark and Harian.

ADOPT "SEALED PACKAGE" SYSTEM

Contest Between Commission Men and Packers Ends in a Compromise.

Chicago, July 12.—The "scaled package" system of buying cattle at the Chicago stockyards was adopted as a compromise at a meeting between representatives of the Chicago Livestock Exchange and the packers yesterday. Negotiations have been pending for several weeks between the commission was need the packers and no agreement could be men and the packers, and no agreement could be

reached on any other basis.

The packers held out for a system of purchasing cattle at the yards whereby stock found to be infected with certain diseases could be rejected after the purchase. The commission men maintained that such a system was unfair and gave the packets. ers an undue advantage over the cattle owners and emmission men. Under the agreement the packing buse buyers will make purchases at their own

TO STOP FURNACE NUISANCES.

Jones & Laughlin Steel Company Fined in Pittsburg Suit. Pittsburg, July 12-A decision of much interest

to property owners in the mili districts was handed down by Judge James S. Young in the Common Pleas Court to-day in the suit instituted by the residents of Oakland, this city, against the Jones & Laughlin Steel Company to have the company stop the emission of ore dust from its blast fur-

The court held all the officers and directors of the court held air the others and affectors the company to be in contempt for falling to c ply with the order to stop the nuisance, and fl B. F. Jones, president of the company, \$5,000, perintendent Messner of the Eliza furnace, and all the directors of the company \$100 e. and all the directors of the company and each. Judge Young further stated in his decision that unless the company can get a device to do away with the ore dust it must shut down the furnaces. As a result of the decision the residents of other districts similarly afflicted are expected to enter suits to compel the furnace companies either to eradicate the ore dust or shut down their furnaces. An arreal from Judge Young's decision was im-An appeal from Judge Young's decision was im-mediately taken to the Supreme Court of Pennsyl-

CONFERENCE ON BILLS OF LADING. Detroit, July 12.—A two days' conference is being held at the Hotel Cadillac here by the committee on bills of lading of the American Bankers' on bills of lading of the American Bankers' Association. Henry Russell, general counsel for the
Michigan Central Rallway, appeared before the
committee to-day, and C. E. McCain, of Buffalo,
representing large shipping interests; Professor
Williston, of Harvard University, and other prominent men are attending the hearing.
The committee is composed of the following bankers: Lewis E. Pierson, New York; F. O. Wetmore,
Chicago; William Livingstons, Detroit; William
Ingle, Baltimore, and J. A. Lewis, St. Louis.

PLEADS GUILTY TO PEONAGE. Charleston, W. Va., July 12.—The Ritter Lumber Company, of Meben. Wyoming County, pleaded guilty in the federal court here to-day to charges of conspiracy to hold employes in peonage. The indictment contained twenty counts, the minimum fine on each count being \$1,000. Sentence will be imposed later. The indictment followed an investigation set on foot by the federal government at the request of the Italian Ambassador to the United States.

CHICAGO TRACTION OUTLOOK BRIGHT. Chicago, July 12.—It was announced to-day by Judge Peter S. Grosscup and Professor John C. Gray that they as arbitrators get full power in the Gray that they as arbitrators get full power in the plan of reorganizing the traction companies which make up the Chicago Union Traction Company, operating the lines on the west and north sides of the city, and that the plan of reorganization will be announced to-morrow or Monday. Judge Grosscup and Professor Gray filed in court a certificate that their powers are ample, and that the underlying companies' deposit of stock to form the Chicago Railway Company becomes permanent.

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UP THE SOUND Str. "ORIENT" leaves New Pier S. E. R. (near Hanover Sq. 'L' Sta.), for Great Neck and Glenwood every Sat. 1:30; 822 St., E. R., 1:50 p. m. Ret., due N. Y. 9:20 p. m. Every Sunday Str. leaves New Pier S. R. R., for Glenwood, 9:30; 824 St., E. R., 9:50 a. m. Ret., leave at 4:30 p. m. Ret., leave at 4:30 p. m.

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A DVERTISEMENTS and subscriptions for The Tribuna A received at their Uptown Office, No. 1884 Broadway, between 36th and 87th sts., until 9 o'clock p. m. Advertisements received at the following branch offices at require office rates until 8 o'clock p. m. viz: 284 8th ave., s. a. cor. 284 st: 183 6th ave., cor. 121s st: 92 East 14th at; 237 West 43d st., between 7th and 8th aves.